

International Journal of Statistics and Applied Mathematics

ISSN: 2456-1452
Maths 2023; SP-8(6): 561-563
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<https://www.mathsjournal.com>
Received: 01-08-2023
Accepted: 08-09-2023

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To chronicle the challenges encountered by stakeholders during the installation and operation of the agri clinic and agri business centers scheme in Madhya Pradesh state

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DOI: <https://doi.org/10.22271/math.2023.v8.i6Sh.1428>

Abstract

The Agribusiness and Agri Clinics Centres Scheme is expanding as an important forum for agricultural candidates with a background in agriculture from an employment standpoint, with government assistance to accomplish goals such as educating extension agents on farmer entrepreneurship development to improve their financial situation. In terms of employment, the Agri Clinics and Agribusiness Centres Scheme is growing into an important venue for Agribusiness graduates in the agricultural industry.

For the purpose of this study randomly select the 100 candidates in 4 different batches the most recent (2021-22), middle (2017-18) (2019-20), and the initial batch (2014-15) each training facility which has been chosen were all contained in the random selection of five percent of the whole number of Agri-preneurs to different Nodal Training Institute in Madhya Pradesh State of India. According to the finding of the study there are 13 different problem listed but the major problem to start their own business is lack of money for the particular person who wants to start their own business mainly the lack of own money shared the 88 percentage like 100 out of 88 candidate faced the problem. Heavy competition from exciting market players is the major problem for running their business in market place 53 respondents face this problem for running their business.

Keywords: Agri clinic and agri business centres, percentage, constraints, business

Introduction

In conjunction with NABARD, the Government of India has launched a specific project for agribusiness and agriculturist welfare. Finally, the goal of this plan is to provide superior agricultural skills to every agriculturist in the country. The goal of this programme is to put to use the abilities available among the large pool of agribusiness graduates. Whether you are a fresh graduate or currently employed, you can open your own Agri-Clinic or Agri-Business Centre and provide professional development services to a limitless number of farmers.

The Agribusiness and Agri Clinics Centres Scheme is expanding as an important forum for agricultural candidates with a background in agriculture from an employment standpoint, with government assistance to accomplish goals such as educating extension agents on farmer entrepreneurship development to improve their financial situation. In terms of employment, the Agri Clinics and Agribusiness Centres Scheme is growing into an important venue for Agribusiness graduates in the agricultural industry.

Research Methodology

Sampling Design

A multistage purposive sampling procedure utilize to choose the Agri Graduate and Agri Preneur (Person who started the Business).

Selection of AC & ABC

For the purpose of this study randomly select the 100 candidates in 4 different batches the most recent (2021-22), middle (2017-18) (2019-20), and the initial batch (2014-15) each

training facility which has been chosen were all contained in the random selection of 5% of the whole number of Agri-preneurs to different Nodal Training Institute in Madhya Pradesh State of India.

Analytical Methods and Tools

Percentage

In regards to training requirements, trainee and trained agriculture graduate profiles, programme enrolment elements, and training institute facilities, scores, percentages, frequencies, and averages will be employed. Additionally, the trainees' profile will be taken into account. Once the percentages are determined, the following formula will be used to give ranks:

$$\text{Percentage (\%)} = \frac{\text{No.of respondents (frequency)}}{\text{Total no.of respondents}} \times 100$$

In a similar manner, proportional weights for every element (including infrastructure and instruction) were employed in order to conduct research on the comments made by trainees on the training institutes. The proportion of weights determined by applying the formula that follows

$$\text{Percentage Weight} = \frac{\text{Scores obtained}}{\text{Total no.of scores}} \times 100$$

Result and Discussion

Study of the problem faced by stakeholders in implementations and operations of the scheme

The information was gathered from agripreneurs who either (a) have not yet begun their agri venture aiming to research the challenges that are presented throughout the establishment procedure an agri venture or (b) have already begun their agri venture aiming to research the challenges that are presented during the course of successfully operating an agri venture. The purpose of this was to examine the issues that the beneficiary farmers face. The list of these is as follows: the general headings that were used to convey the specific issues that the agripreneurs were dealing with:

Obstacles Skilled Agribusiness Owners confront while launching their own Farm

To carry out study on the difficulties that trained agripreneurs encounter when attempting to launch their own agricultural businesses, information was obtained from one hundred agripreneurs who haven't started their own agricultural businesses.

According to Table 1, the most significant challenges that agripreneurs face are a lack of their own money to start a business, a lack of handholding support from NTIs, a lack of

family support, a lack of business and field experience, a high rate of interest on loans, and a lot of formalities in obtaining bank loans. These challenges affect 88, 85, 82, 78, 75, and 75 percent of agripreneurs, respectively. Table 4. It's possible that difficult family circumstances are to blame for the lack of personal funds necessary to launch the business. It's possible that the high level of risk involved in the agriculture business contributed to the lack of support from the family. Agriculture is dependent on the environment, and agribusiness in turn is dependent on agricultural pursuits; additionally, agribusiness can only be conducted during certain times of the year and in dry land regions. These are some of the potential causes of the problems that have arisen.

A large percentage of margin money (72%), banks' reluctance to lend money (70%), apprehension about a business collapsing from risk (69%), and a deficiency of collateral security were the order problems that these agripreneurs faced when establishing their agri venture. Seventy-three percent of the banks did not respond to the proposals of these agripreneurs when they attempted to establish their agri venture (66 percent). In addition, the majority of financial institutions, such as banks (54 percent), as well as employers both in the public and commercial domains (54 percent), are unaware of the AC and ABCs (14 percent). It may be difficult to respond to the ideas because of inadequate preparation or the project's unviability, or considering that the project site that is indicated in the proposal does not be subject to the authority of the banks. Any of these could be the case for the problem. Their difficulty with high margin money was principally caused by the fact that they had a problem with a shortage of owned funds. Twenty-five proportion of the project's total the price ought to have been based on the agripreneurs. However, they did not have enough cash to cover this amount. It's possible that the reluctance of financial institutions to give money for agricultural cooperatives and agricultural business start-ups is caused by the difficulty of agricultural entrepreneurs to persuade and win over the trust of bank authorities. However, because of their involvement and commitment to their jobs, some trained graduates who have already entered the workforce in the private or public sector have difficulty launching their own agricultural businesses. This results from the fact that their jobs require a lot of their time and attention. These findings are comparable to those that were discovered by According to Karjagi (2006) [2] and Karjagi *et al.* (2007) [1], excessive loan interest rates, a dearth of handholding support, a dearth of subsidies, and a high rate of margin money were the most significant challenges when it came to launching agricultural businesses in south India under the AC and ABCs scheme.

Table 1: Problems faced by the trained agricultural graduates in establishing their Agri Ventures N=100

S. No.	Details about the issue	Number of respondents	Percentage	Rank
1	Lack of own money to start business	88	88	I
2	Lack of handholding support from NTIs	85	85	II
3	Lack of family support	82	82	III
4	Lack of business and field experience	78	78	IV
5	High rate of interest on loan	75	75	V
6	A lot of formalities in getting bank loans	75	75	VI
7	Banks not responding to the proposals	73	73	VII
8	High rate of margin money (15 – 25%)	72	72	VIII
9	Banks hesitate to finance	70	70	IX
10	Fear to fail business due to risk	69	69	X
11	Lack of collateral security	66	66	XI
12	Many banks are unaware of the ABCs and ACs.	54	54	XII
13	Employment in public and private sector	14	14	XIII

Problems Faced by the Trained Agripreneurs in Operating their Agri venture

To carry out investigations on the challenges that trained agripreneurs encounter when launching their own agricultural businesses, data were collected from 58 agripreneurs who have already launched their own agricultural businesses.

Table 2 demonstrated that the fierce rivalry among the market's current participants was the most significant obstacle confronted by the 53 agripreneurs (53 percent). This was followed by problems with marketing and infrastructure, the perishability and season ability of products, fluctuations in demand and prices of products, illiteracy and an ignorance on the side of the farmers, and an insufficient amount of cash on hand to run the business. These issues were cited by 50, 45,

41, 39, and 36 agripreneurs. The intense competition from existing players because of the well-established businesses they run, their greater experience, and their in-depth understanding of the current market situation. The advertising, promotion, roads, storage, and warehousing facilities, and the electricity facilities at the business location are all a part of the issue regarding the marketing and infrastructure. The easily perishable and seasonal nature of agricultural products is the primary obstacle or challenge to the efficient operation of agricultural businesses. Considering that the majority of agricultural graduates come from farming communities, trained agripreneurs often not possess sufficient cash on hand to run their businesses.

Table 2: Problems faced by the trained agricultural graduates in operation (running) their Agri venture (N=100)

S. No.	Particulars of problem	No. of respondents	Percentage	Rank
1	Heavy competition from existing market players	53	53	I
2	Marketing and Infrastructural problems	50	50	II
3	Perishability and seasonality of products	45	45	III
4	Fluctuation in demand and prices of products	41	41	IV
5	lack of knowledge of the farmers	39	39	V
6	Not having enough money to run a business	36	36	VI
7	Farmers asking the products on credit sales	30	30	VII
8	Lack of family Support	28	28	VIII
9	No direct dealership from company	25	25	IX

Additional difficulties that were faced by agribusiness owners included farmers requesting credit sales of their products (51.72 percent), average support from family members (48.27 percent), and absence of direct dealership from company representatives (43.10 percent). Farmers often ask for goods that will be sold to them on a credit base consequent to their low income and the mediocre assistance from their family. This results from the farmers' risk-taking in the company because they are afraid of losing money. There will not be a direct dealership offered by the company; instead, they will utilise sub dealerships. Because of this, they must establish a connection with private businesses such as Mahindra Shubhah, ITC-e-Choupal, Rallis India Limited, etc. and they can accomplish this by purchasing a franchise from one of these businesses. These the results align with what Rao and Rup Kumar found in their investigation (2005). According to what they found, the most significant pre-start challenges that the sample of agricultural business owners in Maharashtra face are a lack of funds and aversion to risk. Both Karjagi (2006)^[2] and Karjagi *et al.* (2007)^[1] came to the conclusion that the most significant challenges in operating agricultural businesses in south India as part of the AC and ABCs scheme were fierce rivalry between reputable merchants, a lack of cooperation from nearby farms, and a deficiency of cash on hand.

Conclusion

Most of these young, ambitious grads have degrees, but they don't have the money to invest. because they don't get enough subsidies and there isn't enough collateral security. As a result, the provision requiring loans with a lower interest rate and margin money need must be included immediately. For those who have finished their education in agricultural programmes and want to launch agricultural enterprises, a 44% subsidy is encouraging.

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